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Testimony of Bill Clendenen, President Connecticut Bar Association

in SUPPORT of

SB426, An Act Creating A Task Force to Improve Access to Legal Counsel in Civil Matters and SB428, An Act Concerning Funding of Legal Services for the Poor

Judiciary Committee March 18, 2016

The Connecticut Bar Association strongly supports the passage of both SB426 and SB428.

SB426

This bill proposes to establish a Task Force to study the lack of access to counsel in civil matters in Connecticut. There has developed a growing recognition that our civil justice system has two classes of justice. The well to do and parties of means have access to a first class system of justice with full access to counsel. Low income and other economically disadvantaged individuals have little, if any, access to counsel resulting in second class justice.

Recent social service studies have shown that the financial benefits of providing counsel to the economically disadvantaged far outweigh the costs of providing legal representation. A recent Boston, Massachusetts study showed that for \$1 spent on counsel for poor tenants, the taxpayers would save almost \$2 in tax supported social service, education and police service costs.

The proposed blue ribbon Task Force would be comprised of all the necessary stakeholders in solving Connecticut's justice gap. The Task Force is our best chance to provide cost effective equal access to justice for Connecticut's neediest. We cannot lose sight of the fact that basic human rights such as food, shelter, education and healthcare are routinely denied to Connecticut citizens because of their poverty. These basic human rights are not denied because they are unavailable, but rather because our legal system is not available to those in Connecticut too poor to hire a lawyer to protect them. For these reasons, the Connecticut Bar Association requests favorable action on this bill.

¹ Samuelson, Piankov, Ellman and Bensimon, <u>Economic Impact of Legal Aid in Eviction and</u> Foreclosure Cases, October 7, 2014.



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SB 428

The Connecticut Bar Association also strongly supports SB428. This bill is essential in two parts.

The first part of the bill would amend Section 51-81c of the general statutes to authorize the judges of the Superior Court to make grants-in-aid in any particular year to the Connecticut Bar Foundation² from the client security fund when funds are available. Under the proposed legislation, only moneys deposited in the Client Security Fund on or after October 1, 2016 would be available. There is to be no increase in the annual fee paid to the Client Security Fund by individual attorneys under this legislation.

This proposed amendment is an effective way to make funds available to provide attorney's to Connecticut's economically disadvantaged without additional cost to Connecticut's taxpayers or attorney's in the private sector. For these sound reasons, the amendment to Section 51-81c of the general statutes should be approved.

The second part of SB428 proposes to amend a series of statutes governing court filing fees by making slight increases in those fees. There is little dispute that Connecticut legal aid providers and their low income clients are facing severe economic crises due to a lack of adequate funding. Currently, legal aid represents economically challenged families in civil matters, usually involving a life crisis, such as domestic violence, homelessness, eviction, illness or disability. At best, legal aid can help less than one in ten eligible folks.

When considering this legislation, the CBA asks that you consider the following:

In 2007, IOLTA (Interest on Lawyers' Trust Accounts) brought in over \$20 million in revenue to fund legal services. Since then, IOLTA revenue has dropped to \$2 million per year – a decrease of 90%.

In 2009, the CBA actively supported increases in certain court fees, revenue from which was dedicated to legal aid funding. These court fee revenues, which were last increased in 2012 with the CBA's support, have not been adequate to fill the funding gap.

As a result of the funding crisis, legal aid programs have imposed or used furloughs, attrition, and layoffs. Current staffing and services are about 20% below 2008 levels.

Because of steadily declining court filings, legal aid programs are projecting a deficit of around \$2 million in the current calendar year.

² The Connecticut Bar Foundation is the designated administrator of the program for the use of interest earned on lawyers' clients' funds accounts pursuant to Section 51-81c



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Moreover, the Judicial Branch is grappling with proposed cuts to its budget that likely will have a significant impact on civil court operations. A reduction in court staffing levels probably means further delays for clients and attorneys having civil legal matters that need adjudication. Fewer legal aid lawyers will likely result in more self-represented, low-income parties adding further stress to the civil court system.

If passed, SB428 is projected to generate approximately \$950,000 to \$1 million for legal aid. These funds would only, at best, meet half of the current year's projected deficit for the legal aid program. If SB428 is not enacted, legal aid programs project another wave of layoffs and reduction in services to the most vulnerable and poor residents in Connecticut. For these reasons, the CBA urges favorable action on SB428.